

Farm Credit System Major Financial Indicators, Quarterly Comparison¹

Dollars in Thousands

At and for the 3 months ended	30-Sep-04	30-Jun-04	31-Mar-04	31-Dec-03	30-Sep-03
Farm Credit System Banks¹					
Gross Loan Volume	84,034,986	83,387,372	83,709,682	82,986,046	81,819,994
Accruing Restructured Loans ²	6,434	5,288	7,324	9,492	14,475
Accrual Loans 90 or More Days Past Due	20,273	17,249	19,361	22,456	31,698
Nonaccrual Loans	234,733	294,018	404,611	444,663	419,528
Nonperforming Loans/Total Loans ³	0.31%	0.38%	0.52%	0.57%	0.57%
Cash and Marketable Investments	22,508,538	21,834,391	22,521,138	19,908,823	19,894,923
Capital/Assets ⁴	6.91%	6.87%	6.79%	6.89%	6.62%
Unallocated Retained Earnings/Assets	3.61%	3.57%	3.46%	3.49%	3.60%
Net Income	161,003	157,802	157,780	190,417	133,822
Return on Assets ⁵	0.60%	0.60%	0.60%	0.62%	0.59%
Return on Equity ⁵	8.65%	8.72%	8.78%	9.00%	8.93%
Net Interest Margin	0.93%	0.92%	0.93%	0.98%	1.00%
Operating Expense Rate ⁶	0.34%	0.34%	0.35%	0.33%	0.33%
Associations					
Gross Loan Volume	74,709,800	72,878,198	70,746,172	70,897,369	70,492,872
Accruing Restructured Loans ²	69,494	69,598	74,951	83,075	95,326
Accrual Loans 90 or More Days Past Due	34,124	42,007	50,479	20,742	44,940
Nonaccrual Loans	467,847	498,254	561,364	607,351	651,100
Nonperforming Loans/Gross Loans ³	0.76%	0.84%	0.97%	1.00%	1.12%
Capital/Assets ⁷	16.74%	16.79%	16.89%	16.34%	16.00%
Unallocated Retained Earnings/Assets	14.32%	14.47%	14.44%	13.96%	13.95%
Net Income	365,694	340,848	317,756	412,250	309,990
Return on Assets ⁵	1.78%	1.78%	1.75%	1.82%	1.70%
Return on Equity ⁵	10.59%	10.50%	10.38%	11.10%	10.63%
Net Interest Margin	2.73%	2.78%	2.82%	2.72%	2.72%
Operating Expense Rate ⁶	1.47%	1.53%	1.57%	1.53%	1.49%
Total Farm Credit System⁸					
Gross Loan Volume	94,899,000	94,289,000	94,279,000	93,129,000	91,302,000
Accruing Restructured Loans ²	78,000	78,000	83,000	94,000	113,000
Accrual Loans 90 or More Days Past Due	54,000	57,000	70,000	43,000	75,000
Nonaccrual Loans	702,000	792,000	966,000	1,049,000	1,070,000
Nonperforming Loans/Gross Loans ³	0.88%	0.98%	1.19%	1.27%	1.38%
Bonds and Notes	98,276,000	97,262,000	98,559,000	95,310,000	94,002,000
Capital/Assets ⁹	16.62%	16.46%	16.09%	16.19%	15.76%
Surplus/Assets	13.10%	12.96%	12.59%	12.68%	12.67%
Net Income	487,000	478,000	450,000	485,000	462,000
Return on Assets ⁵	1.57%	1.56%	1.51%	1.60%	1.58%
Return on Equity ⁵	9.58%	9.58%	9.41%	10.11%	10.08%
Net Interest Margin	2.58%	2.49%	2.50%	2.61%	2.59%

¹ Includes Farm Credit Banks and the Agricultural Credit Bank.

² Excludes loans 90 or more days past due.

³ Nonperforming Loans are defined as Nonaccrual Loans, Accruing Restructured Loans, and Accrual Loans 90 or more days past due.

⁴ Capital excludes mandatorily redeemable preferred stock.

⁵ Income ratios are annualized.

⁶ Operating expenses divided by average gross loans, annualized.

⁷ Capital excludes protected borrower capital.

⁸ Cannot be derived through summation of above categories due to intradistrict and intra-System eliminations used in Reports to Investors.

⁹ Capital includes restricted capital (amount in Farm Credit Insurance Fund), excludes mandatorily redeemable preferred stock and protected borrower capital.

Source: Farm Credit System Call Report and the Federal Farm Credit Banks Reports to Investors of the Farm Credit System.